

Stuck in the Middle

Do you ever wonder where all that stuff you see in stores comes from? Behind every finished product is a whole chain of activity—raw materials, production processes, transportation, sales and distribution.

Where retailing is often the last step in the chain, the link just before it is often wholesale trade. The wholesale trade industry provides finished goods or parts as inputs to other industries, businesses, institutions, and government. They help simplify the flow of products, payments, and information. Wholesale trade entities often act as intermediaries between the manufacturer and the consumer, the classic “middle man.”

In 2007, wholesale trade accounted for 47,270 jobs in Utah, or 3.8 percent of the total nonfarm employment. The average monthly wage was \$4,411, which is higher than the state average of \$3,043. Most wholesalers take possession of the merchandise and then sell it to other merchants. The largest segment is merchant wholesalers dealing with durable goods (motor vehicles and parts, furniture, industrial equipment, machinery, etc). Slightly more than half of the employment in wholesale trade deals with durable goods. The other major group is nondurable good wholesalers (papers, chemicals, food, farm products, clothes etc). The smallest group consists of market brokers and agents who never take possession of the goods, but facilitate the sale of goods for a fee or commission.

Small establishments dominate this industry, with those employing four or fewer workers accounting for 67 percent of firms and 12 percent of employment. The most common occupations in this industry consist of sales representatives, office and administrative workers, and transportation and storage jobs. Another interesting fact is that men are more than twice as likely to work in this industry than women. They also earn more in wages, as they are more concentrated in the higher-paying sales occupations.

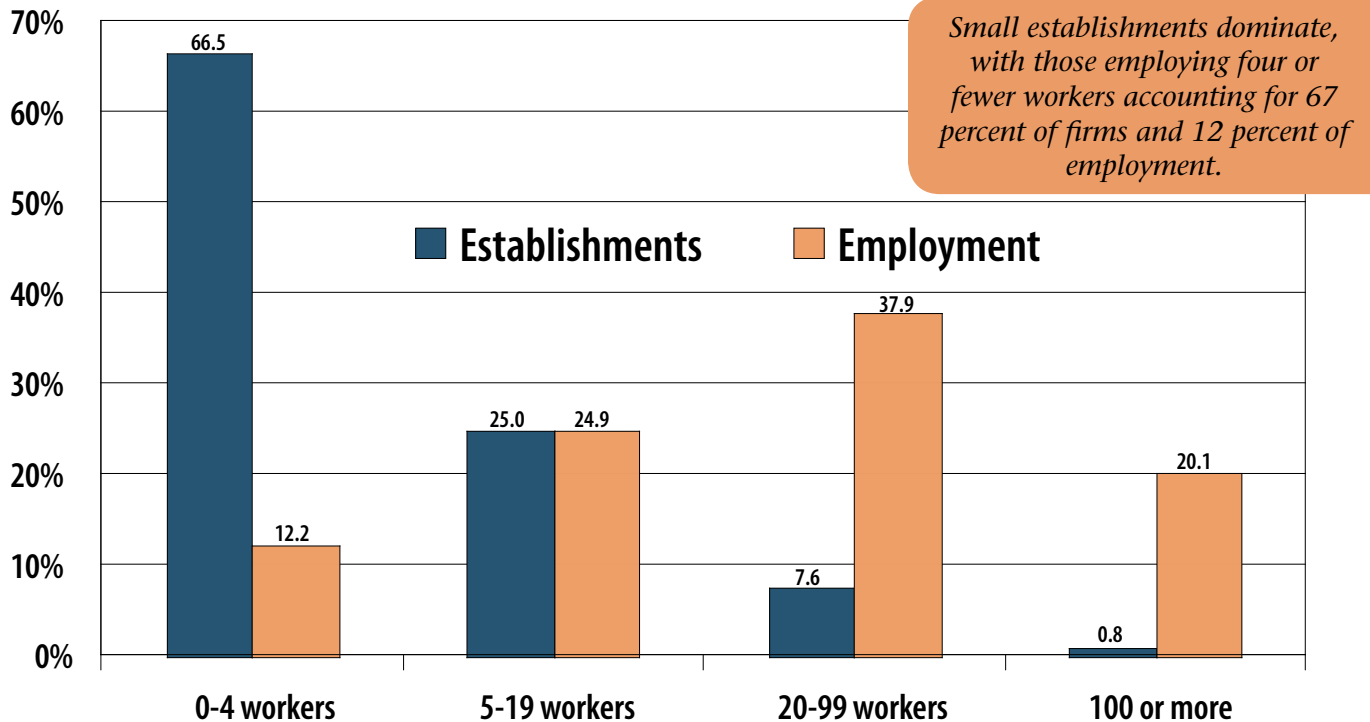
Wholesale trade activity in Utah expanded rapidly from 2004 to 2007, following the strong growth in population, household formation, and economic activity enjoyed by the state. As Utah's economy cools, wholesale trade activity will follow the prevailing winds and slow as it responds to changing market conditions. ⓘ

For more information go to:

- <http://jobs.utah.gov/jsp/wi/utalmis/default.do>
- <http://jobs.utah.gov/opencms/wi/statewide/ifsheets>

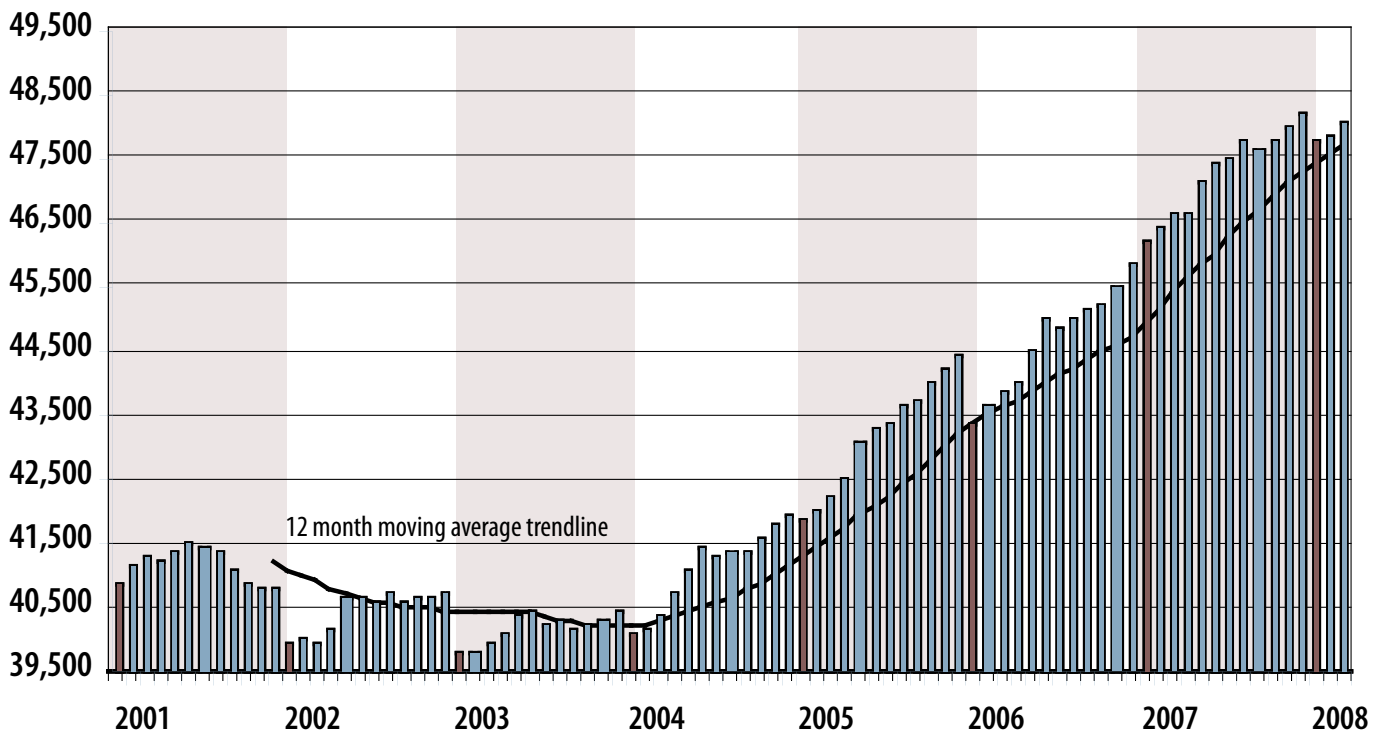
Wholesale Trade Establishment and Employment

in Utah 2007



Wholesale Trade Employment in Utah

by month • 2001-2008



Source: Utah Department of Workforce Services.